

United States Bankruptcy Court
P.O. Box 61288, Houston TX 77208

SOUTHERN DISTRICT OF TEXAS
(Houston Division)

PROOF OF CLAIM

<p>Name of Debtor: <input type="checkbox"/> Stage Stores, Inc., a Delaware corporation <input type="checkbox"/> Specialty Retailers, Inc., a Texas corporation <input type="checkbox"/> Specialty Retailers, Inc. (NV), a Nevada corporation</p> <p>*place an "x" beside the name of the Debtor you are filing a claim against</p> <p>Name of Creditor (The person or other entity to whom the debtor owes money or property):</p>		<p>Case Number 00-35078-H2-11 00-35079-H2-11 00-35080-H2-11</p> <p><input type="checkbox"/> Check box if you are aware that anyone else filed a proof of claim relating to your claim. Attach copy of statement giving particulars.</p>	<p>United States Bankruptcy Court Southern District of Texas FILED</p> <p>AUG 04 2000</p> <p>Michael N. Milby, Clerk</p>
<p>Name and address where notices should be sent: <i>Corrine D. Smith</i> <i>14122 Manderly Dr.</i> <i>Houston, TX 77077</i></p>		<p><input checked="" type="checkbox"/> Check box if you have never received any notices from the bankruptcy court in this case</p> <p><input type="checkbox"/> Check box if the address differs from the address on the envelope sent to you by the court.</p>	
<p>Account or other number by which creditor identifies debtor:</p>		<p><input type="checkbox"/> Check here ____ replaces if this claim ____ amends a previously filed claim, dated: _____</p>	
<p>1. Basis for Claim</p> <ul style="list-style-type: none"> <input type="checkbox"/> Goods sold <input type="checkbox"/> Services performed <input type="checkbox"/> Money loaned <input type="checkbox"/> Personal injury/wrongful death <input type="checkbox"/> Taxes <input type="checkbox"/> Other _____ 		<p>Retiree benefits as defined in 11 U.S.C. § 1114(a) Wages, salaries, and compensation (Fill out below)</p> <p>Your SS#: _____</p> <p>Unpaid compensation for services performed from _____ to _____ (date) (date)</p>	
<p>2. Date debt was incurred:</p>		<p>3. If court judgment, date obtained:</p>	
<p>4. Total Amount of Claim at Time Case Filed: \$ _____ If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below.</p> <p><input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.</p>			
<p>5. Secured Claim.</p> <p><input type="checkbox"/> Check this box if your claim is secured by collateral (including a right of setoff).</p> <p>Brief Description of Collateral: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other All personal and intangible property of Debtor's Estate</p> <p>Value of Collateral: \$ _____</p> <p>Amount of arrearage and other charges <u>at time case filed</u> included in secured claim, if any \$ _____</p>		<p>6. Unsecured Priority Claim.</p> <p><input type="checkbox"/> Check this box if you have an unsecured priority claim</p> <p>Amount entitled to priority \$ _____</p> <p>Specify the priority of the claim: Wages, salaries, or commissions (up to \$4,300)* earned within 90 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(3) Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(4). Up to \$1,950* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(6). Alimony, maintenance, or support owed to a spouse, former spouse, or child - 11 U.S.C. § 507(a)(7). Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8). Other - Specify applicable paragraph of 11 U.S.C. § 507(a-____). <small>*Amounts are subject to adjustment on 4/1/98 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.</small></p>	
<p>7. Credits: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim.</p> <p>8. Supporting Documents: Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary.</p> <p>9. Date-Stamped Copy: To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.</p>		<p>This Space Is for Court Use Only</p> <p><i>001231</i></p>	
Date <i>7/21/00</i>	<p>Sign and print the name and title, if any, of the creditor or other person authorized to file this claim <small>(attach copy of power of attorney, if any)</small></p> <p><i>Corrine D. Smith</i></p>		
<p><i>Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.</i></p>			

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In particular types of cases or circumstances, such as bankruptcy cases that are not filed voluntarily by a debtor, there may be exceptions to these general rules.

DEFINITIONS

Debtor

The person, corporation, or other entity that has filed a bankruptcy case is called the debtor.

Creditor

A creditor is any person, corporation, or other entity to whom the debtor owed a debt to the date that the bankruptcy case was filed.

Proof of Claim

A form telling the bankruptcy court how much the debtor owed a creditor at the time the bankruptcy case was filed (the amount of the creditor's claim). This form must be filed with the clerk of the bankruptcy court where the bankruptcy case was filed.

Secured Claim

A claim is a secured claim to the extent that the creditor has a lien on property of the debtor (collateral) that gives the creditor the right to be paid from that property before creditors who do not have liens on the property.

Examples of liens are a mortgage on real estate and a security interest in a car, truck, boat, television set, or other item of property. A lien may have been obtained through a court proceeding before the bankruptcy case began; in some states a court judgment is a lien. In addition, to the extent a creditor also owes money to the debtor (has a right of setoff), the creditor's claim may be a secured claim. (See also *Unsecured Claim*.)

Unsecured Claim

If a claim is not secured claim it is an unsecured claim. A claim may be partly secured and partly unsecured if the property on which a creditor has a lien is not worth enough to pay the creditor in full.

Unsecured Priority Claim

Certain types of unsecured claims are given priority, so they are to be paid in bankruptcy cases before most other unsecured claims (if there is sufficient money or property available to pay these claims). The most common types of priority claims are listed on the proof of claim form. Unsecured claims that are not specifically given priority status by the bankruptcy laws are classified as *Unsecured Nonpriority claims*.

Items to be completed in Proof of Claim Form (If not already filled in)

Court, Name of Debtor, and Case Number:

All of this information is near the top of the notice. Check the box next to the name of the Debtor against which you are filing this claim.

Information about Creditor:

Complete the section giving the name, address, and telephone number of the creditor to whom the debtor owes money or property, and the debtor's account number, if any. If anyone else has already filed a proof of claim relating to this debt, if you never received notices from the bankruptcy court about this case, if your address differs from that to which the court sent notice, or if this proof of claim replaces or changes a proof of claim that was already filed, check the appropriate box on the form.

1. Basis for Claim:

Check the type of debt for which the proof of claim is being filed. If the type of debt is not listed, check "Other" and briefly describe the type of debt. If you were an employee of the debtor, fill in your social security number and the dates of work for which you were not paid.

2. Date Debt Incurred:

Fill in the date when the debt first was owed by the debtor.

3. Court Judgments:

If you have a court judgment for this debt, state the date the court entered the judgment.

4. Total Amount of Claim at Time Case Filed:

Fill in the total amount of the entire claim. If interest or other charges in addition to the principal amount of the claim are included, check the appropriate place on the form and attach an itemization of the interest and charges.

5. Secured Claim:

Check the appropriate place if the claim is a secured claim. You must state the type of value of property that is collateral for the claim, attach copies of the documentation of your lien, and state the amount past due on the claim as of the date the bankruptcy case was filed. A claim may be partly secured and partly unsecured. (See DEFINITIONS, above).

6. Unsecured Priority Claim:

Check the appropriate place if you have an unsecured priority claim, and state the amount entitled to priority. (See DEFINITIONS, above). A claim may be partly priority and partly nonpriority if, for example, the claim is for more than the amount given priority by the law. Check the appropriate place to specify the type of priority claim.

7. Credits:

By signing this proof of claim, you are stating under oath that in calculating the amount of your claim you have given the debtor credit for all payments received from the debtor.

8. Supporting Documents:

You must attach to this proof of claim form copies of documents that show the debtor owes the debt claimed or, if the documents are too lengthy, a summary of those documents. If documents are not available, you must attach an explanation of why they are not available.

9. Filing Claim:

You must file your claim by mailing it to: Clerk, U.S. Bankruptcy Court
P.O. Box 61288
Houston, TX 77208.

10. Date Stamped Copy:

To receive an acknowledgment of the filing of your claim, enclose a self-addressed, stamped envelope, and a copy of your Proof of Claim.

SALOMON SMITH BARNEY

A member of citigroup 

Ref: 00003704 0004464

Client Statement

January 1 - March 31, 2000

Page 1 of 2

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SALOMON SMITH BARNEY INC.
Your Financial Consultant
Account number 719-00223-14 101

MS CORRINE D SMITH
14122 MANDERLY DRIVE
HOUSTON TX 77077-1816

JANET RUSSO
TRANSCO TOWER 51 FL
2900 POST OAK BLVD
HOUSTON, TX 77056
713-993-2791

Branch: 800-833-5845

Account value

	Last period	This period
Stocks	\$ 2,825.00	\$ 5,481.30
Margin	\$ 2,825.00	\$ 5,481.30
Closing balance	\$ 0.00	

Cash balance

	This period
Opening balance	\$ 0.00
Securities bought and other subtractions	-190.00
Securities sold and other additions	0.00
Deposits	190.00
Closing balance	\$ 0.00

Portfolio details

The values of your holdings are as of 03/31/00.

Stocks	No. of shares	Price	Yield	Anticipated income (annualized)	U.S. Dollar Market value	Research Rating*	Comment
Common stocks							
AMKOR TECHNOLOGY INC	OTC 100	\$ 53.063			\$ 5,306.30	1/H	Symbol: AMKR
STAGE STORES INC	NYSE 200	.875			175.00		Symbol: SGE
Total stocks					\$ 6,481.30		

*Please refer to the back of page 1 for definitions of research ratings.

Important Statement Information

Solomon Smith Barney is a service mark of Salomon Smith Barney, Inc.

All dates of transactions appearing on this statement are settlement dates.

Information with regard to commission and other charges incurred in connection with the execution of transactions for your account is included in combinations of these transactions previously furnished to you.

Promptly advise us of any material change in your investment objectives or financial situation.

If your Client Statement indicates a security was delivered to you or your designated representative, and it was not received within three weeks, you must notify your branch immediately. If you fail to notify your branch within the months of the statement delivery date, Salomon Smith Barney Inc. will not be responsible for cost of posting a replacement bond.

Confirmation of transactions will be made to you in writing pursuant to SEC regulation 10b-10. Please immediately notify the branch manager of the office serving your account if you fail to receive a confirmation on or before January 10th of the year following the month of the statement delivery.

All checks written for deposit to your account must be made payable to Salomon Smith Barney Inc. Requests for checks being made payable to Salomon Smith Barney employees.

If you believe your statement is not correct, you must, within ten (10) days, contact either the Manager of the branch serving your account or Salomon Smith Barney Inc., Attention: Complaints Department, 250 West Street, 10th Floor, New York, NY 10013-2386.

Amortization and accretion of both amortization and accretion of O&D income are calculated using the constant yield method. An addition to amortize the premium on a taxable bond is not made,

a capital loss is realized upon disposition. Unamortized or unaccreted gains and losses have been adjusted to account for the accrual of O&D, the amortization of premium, and/or the accrual of market discount. Any gain will generally be taxed as ordinary interest income to the extent of the amount of market discount that accrued during the time the bond is held. This amount is shown separately and distinct from the capital gain portion of the total gain. An election may be made to report the accrued discount annually instead of in the year of disposition. Foreign debt securities that are not traded in U.S. others will not be amortized.

Called issues. Call features shown indicate the next regularly scheduled call date and price. Your holdings may be subject to other redemption features including sinking funds or extraordinary calls.

All securities held by Salomon Smith Barney Inc., but which are not registered in your name, are commingled with identical securities being held by other clients. In the event any securities so held are called by the issuer, Salomon Smith Barney Inc. will determine the beneficial ownership thereof as required by New York Stock Exchange rules. Unless registered in the name of your Qualified Plan, securities belonging to your Qualified Plan will be held by Salomon Smith Barney Inc. with identical securities belonging to other clients. Such securities will not, however, be commingled for investment with any other securities.

Certificates of deposit are federally insured up to \$100,000 combined principal and interest. Certificates of deposit are federally insured only to their accumulated value up to \$100,000. Accumulated value may be higher or lower than current insured value.

Credit balances⁵ A free credit balance in any account, except for regulated commodity accounts, may be paid to you on demand. Although properly accounted for on our records books, these funds may be used for our business purposes.

Dividend Yield Dividend yield is the estimated annual income, assuming the current dividend, without the effect of the advisory fee (if applicable), divided by the security's market price at the end of the statement period. Current dividend information funds not sponsored by Salomon Smith Barney is based on information provided by an outside vendor and is not reviewed by Salomon Smith Barney.

Market Values Generally, the market values of securities have been obtained from various quotation services whose appraisals are based either on the closing prices, the mean between the bid and asking price, or a mark based on interest rates for similar securities (pricing may reflect round trip differential). Where prices are not available from quotation services, Salomon Smith Barney Inc. may use such prices which in its judgment reflect the market prices of the securities. In either case, Salomon Smith Barney Inc. does not guarantee the accuracy of such prices. These prices should not be considered to constitute firm bids or offers and may be subject to fluctuations in market conditions. If a more current valuation is necessary, please contact your Financial Consultant.

period.

Mutual funds, shares are valued at their net asset value as of the last day of the statement period.

Certificates of deposit are carried at face amount and do not reflect accrued, or unpaid interest. If certificates of deposit or other fixed income securities are sold prior to maturity, the proceeds may be more or less than the face amount depending upon market conditions.

TAX WITHHELDING NOTICE

If you have made withholdings from this account (including IRA checks, you may have written and have elected not to have taxes withheld, or if not enough taxes were withheld, you may be responsible for the payment of quarterly estimated tax. You may incur penalties under the estimated tax rules if your withholding and estimated tax payments are insufficient. See IRS Publication 505, Tax Withholding and Estimated Tax or your tax advisor. Each time you wish to have taxes withheld for IRA checks you have written, you must complete a distribution form, specifying the actual amount of taxes to be withheld. Contact your Salomon Smith Barney Financial Consultant if you wish to make, change or revoke a withholding election.

Withholdings made from Roth and Education IRAs which meet certain criteria generally are not subject to federal income tax, therefore, no tax withholding is required.

Krough and 401(k) plan distribution payments:

Federal tax laws require that 20% Federal Income tax be withheld from certain eligible rollover distributions from this account. Distributions may also be subject to required state tax withholding. For distributions where withholding is not required, you may elect NOT to have Federal or State withholding apply. However, you may be responsible for payment of quarterly estimated tax. You may incur penalties under the estimated tax rules if your withholding and estimated tax payments are insufficient. Contact your Financial Consultant if you wish to make, change or revoke a withholding election.

Substitute 1989 IRS Form 5498

Individual Retirement Arrangement Information

The information on Form 5498 is submitted to the Internal Revenue Service by the trustee or issuer of your individual retirement arrangement (IRA) to report contributions and the fair market value of the account. For information about IRAs, see IRS Pub. 590, Individual Retirement Arrangements (IRAs), and IRS Pub. 560, Retirement Plans for Small Business.

Box 1. Shows traditional IRA contributions for 1989 you made in 1988 and through April 17, 2000. These contributions may be deductible on your 1989 or 1998 tax return. However, if you or your spouse were an active participant in an employer's pension plan, these contributions may not be deductible. This box does not include amounts in boxes 2, 3, and 7-10.

Box 2. Shows any rollover, including a direct rollover to a traditional IRA, you made in 1989. It also shows amounts recharacterized from one type of IRA to another. However, it does not show any amounts you transferred from your traditional IRA, Simplified Employee Pension (SEP), or Savings Incentive Match Plan for Employees (SIMPLE) to a Roth IRA. They are shown in box 3. See the Form 1040 or 1040A instructions for information on how to report rollovers. If you have ever made any nondeductible contributions to your traditional IRA, SEP, or SIMPLE and you did not roll over the total distribution, use Form 8866, Nondeductible IRAs (Contributions, Distributions, and Rollover), to figure the taxable amount. If property was rolled over, see IRS Pub. 590.

Box 3. Shows the amount converted (or rolled over) from a traditional IRA, SEP or SIMPLE to a Roth IRA in 1989. Use Form 8866 to figure the taxable amount.

Box 4. Shows the fair market value of your account at year end.

Box 5. Not Applicable.

Box 6. May show the kind of IRA reported on this Form 5498. If "Roth," is indicated, the contribution is a recharacterization of a prior contribution from one type of IRA to another.

Box 7. Shows Simplified Employee Pension (SEP) contributions made in 1989. If made by your employer, do not deduct on your income tax return. If you made the contributions as a self-employed person (or partner), they may be deductible. See IRS Pub. 560.

Box 8. Shows the Savings Incentive Match Plan for Employees (SIMPLE) contributions made in 1989. If made by your employer, do not deduct on your income tax return. If you made the contributions as a self-employed person (or partner), they may be deductible. See IRS Pub. 560.

Box 9. Shows Roth IRA contributions you made in 1989 and through April 17, 2000. Do not deduct on your income tax return.

Box 10. Shows Education IRA (Ed IRA) contributions made in 1989 on your behalf. Do not deduct on your income tax return. If the total of all contributions made to all your Ed IRAs this year exceeded \$500, you should withdraw the excess, plus earnings, generally by April 17, or you may pay a penalty. You must keep track of your Ed IRA basis (contributions and distributions). See IRS Pub. 560.

Reminder: If you converted from a traditional IRA, SEP, or SIMPLE to a Roth IRA in 1988 and you elected to spread the taxable income over 4 years, you must include one-fourth of the taxable amount converted in your income in 1989. See Form 8866, Nondeductible IRAs.

Research ratings of Salomon Smith Barney, Standard & Poor's, and Moody's Investors Service may be shown for certain securities. All research ratings represent the "opinions" of the research provider and should not be construed as representations or guarantees of performance. The Robinson-Humphrey Company LLC, a wholly owned subsidiary of Salomon Smith Barney, may carry ratings on securities which differ with those of Salomon Smith Barney. The Robinson-Humphrey research ratings are not reflected on this statement. Your Financial Consultant will be pleased to provide you with further information or assistance in interpreting research ratings.

KEY TO SALOMON SMITH BARNEY RESEARCH RATING SYSTEM

STOCK RATING

Risk Description (denoted by the letter)

L. Low Risk.....

H. Moderate Risk.....

H. High Risk.....

S. Speculative.....

V. Venture.....

Predictability of earnings/estimates; Price Volatility

High predictability; Low Volatility

Moderate predictability; Volatility

Low predictability; High Volatility

Exceptionally low predictability; highest risk

Risk and return consistent with venture capital, only for well diversified portfolios.

Performance (denoted by the number)

Rating

Recommendation

Total Return (Capital Gains/Loss Plus Dividends)

Exceeded Over the Next 12-18 Months

Low Risk.....

Medium Risk.....

High Risk.....

Underperform.....

Normal.....

Overperform.....

Outperform.....

Overperform.....

Underperform.....

Normal.....

Underperform.....

Risk Description (denoted by the letter)

Degree of Risk

Goal of Fund

L. Low Risk.....

M. Moderate Risk.....

H. High Risk.....

A. Aggressive.....

S. Speculative.....

Performance (denoted by the number)

Rating

Recommendation

Closest-End Investment Companies

Risk Description (denoted by the letter)

Goal of Fund

L. Low Risk.....

H. High Risk.....

Member of Securities Investor Protection Corporation (SIPC).

Solomon Smith Barney Inc. is a member of SIPC. Securities in your account are protected by SIPC up to \$500,000 (\$100,000 limitation for cash). Gulf Insurance Company ("Gulf"), a subsidiary of Cigna Corp. Inc. (Salomon Smith Barney Inc.'s ultimate parent company), provides additional securities protection for a total of up to \$2,500,000 (\$1,000,000 limitation for cash). An additional level of securities protection for a total of up to \$10,000,000 (\$1,000,000 limitation for cash) is provided by Gulf under a Master Guarantee for a total of up to either (a) \$75,000,000 (\$1,000,000 limitation for cash), or (b) full net equity (\$1,000,000 limitation for cash), depending on the type of accounts. Coverage in excess of \$50,000,000 to a maximum of \$150,000,000 is provided by Asset Guaranty. Accounts over \$150,000,000 are covered by Gulf. The foregoing protections are generally subject to the limitations and conditions of SIPC. Repurchase agreements, reverse repurchase agreements and stock loan transactions, as well as certain mutual funds, may not be covered by SIPC. Gulf, or Asset Guaranty. Please ask your Financial Consultant for further information.

UNITED STATES BANKRUPTCY COURT

Southern District of Texas

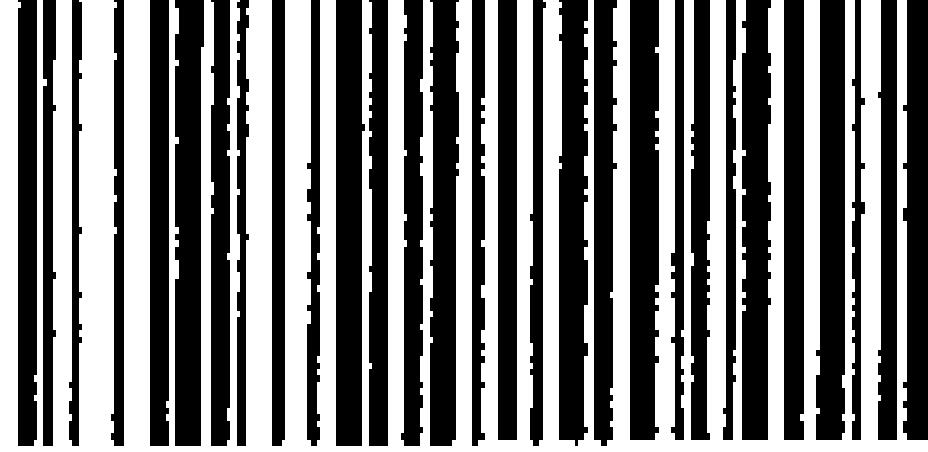
Notice of Chapter 11 Bankruptcy Case, Meeting of Creditors, & Deadlines

A chapter 11 bankruptcy case concerning each of the debtor corporations listed below was filed on June 1, 2000.

You may be a creditor of one or more of the debtor(s). This notice lists important deadlines. You may want to consult an attorney to protect your rights. All documents filed in the cases may be inspected at the bankruptcy clerk's office at the address listed below.

NOTE: The staff of the bankruptcy clerk's office cannot give legal advice.

See Reverse Side For Important Explanations.

Debtor (name(s), case numbers and address):	Jointly Administered Under Case Number 00-35078-H2-11	 LG054236
Stage Stores, Inc., a Delaware corp.; Case No. 00-35078-H2-11 Specialty Retailers, Inc., a Texas corp.; Case No. 00-35079-H2-11 Specialty Retailers, Inc. (NV), a Dallas corp.; Case No. 00-35080-H2-11 10210 Main Street Houston, TX 77025-5229	Taxpayer ID Nos: 76-0407711 (Stage Stores, Inc.) 74-0821900 (Specialty Retailers, Inc.) 91-1826900 (Specialty Retailers, Inc. (NV))	
Toll Free Number: 1-800-804-2013 (for case information)	Attorneys for Debtors Telephone Number: Toll Free 1-877-559-9672	
Attorney for Debtors (name and address): Andrew E. Jillson, Esq. Lynnette R. Warman, Esq. Jenkens & Gilchrist, a Professional corporation 1445 Ross Avenue, Suite 3200 Dallas, TX 75202-2799	Information may also be obtained from the following website: Website address: www.stagestoresbankruptcy.com	

Meeting of Creditors

Date: 7 / 11 / 00	Time: 2:00 <input type="checkbox"/> A.M. <input checked="" type="checkbox"/> P.M.	Location: U.S. Courthouse Jury Assembly Room 515 Rusk, 6 th Floor Houston, Texas 77002
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Deadlines to File a Proof of Claim

Proofs of Claim must be <i>received</i> by the bankruptcy clerk's office by the following deadline:
For all creditors (except a governmental unit): 10/9/00 For a governmental unit: 11/28/00

Mail claim to: U.S. Bankruptcy Court P.O. Box 61288 Houston, TX 77208

Creditors May Not Take Certain Actions:

The filing of the bankruptcy case automatically stays certain collection and other actions against the debtor and the debtor's property. If you attempt to collect a debt or take other action in violation of the Bankruptcy Code, you may be penalized.

Address of the Bankruptcy Clerk's Office: 515 Rusk Avenue 1 st Floor Houston, Texas 77002 Telephone number: 713/250-5115	For the Court: Clerk of the Bankruptcy Court: Michael N. Milby, Clerk
Hours Open: 9:00 a.m. - 4:30 p.m.	Date:

EXPLANATIONS

Filing of Chapter 11
Bankruptcy Case

A bankruptcy case under chapter 11 of the Bankruptcy Code (title 11, United States Code) has been filed in this court by or against the debtors listed on the front side, and an order for relief has been entered. Chapter 11 allows a debtor to reorganize or liquidate pursuant to a plan. A plan is not effective unless confirmed by the court. You may be sent a copy of the plan and a disclosure statement telling you about the plan, and you might have the opportunity to vote on the plan. You will be sent notice of the date of the confirmation hearing, and you may object to confirmation of the plan and attend the confirmation hearing. Unless a trustee is serving, the debtor will remain in possession of the debtor's property and may continue to operate any business.

Creditors May Not Take
Certain Actions

Prohibited collection actions are listed in Bankruptcy Code § 362. Common examples of prohibited actions include contacting the debtor by telephone, mail or otherwise to demand repayment; taking actions to collect money or obtain property from the debtor; repossessing the debtor's property; starting or continuing lawsuits or foreclosures.

Meeting of Creditors

A meeting of creditors is scheduled for the date, time and location listed on the front side. *The debtor's representative must be present at the meeting to be questioned under oath by the trustee and by creditors.* Creditors are welcome to attend, but are not required to do so. The meeting may be continued and concluded at a later date without further notice.

Claims

A Proof of Claim is a signed statement describing a creditor's claim. If a Proof of Claim form is not included with this notice, you can obtain one at any bankruptcy clerk's office. You may look at the schedules that have been or will be filed at the bankruptcy clerk's office. If your claim is scheduled and is *not* listed as disputed, contingent, or unliquidated, it will be allowed in the amount scheduled unless you file a Proof of Claim or you are sent further notice about the claim. If your claim is not listed at all *or* if your claim is listed as disputed, contingent, or unliquidated, then you must file a Proof of Claim by the "Deadline to File a Proof of Claim" listed on the front side, and you must file a separate Proof of Claim in the bankruptcy case of each debtor against whom you have a claim, or you might not be paid any money on your claim against the debtor in the bankruptcy case.

Discharge of Debts

Confirming of a chapter 11 plan may result in a discharge of debts, which may include all or part of your debt. See Bankruptcy Code § 1141(d). A discharge means that you may never try to collect the debt from the debtor, except as provided in the plan.

Bankruptcy Clerk's Office

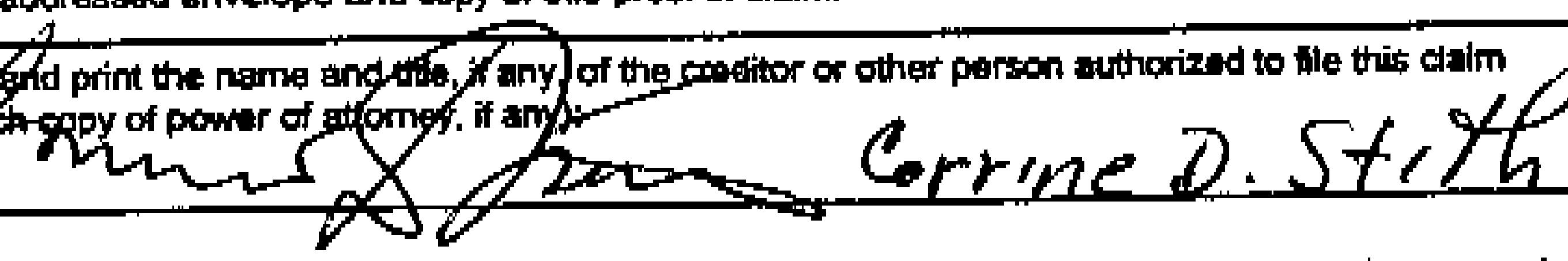
Any paper that you file in this bankruptcy case should be filed at the bankruptcy clerk's office at the address listed on the front side. You may inspect all papers filed, including the list of the debtor's property and debts, at the bankruptcy clerk's office.

Legal Advice

The staff of the bankruptcy clerk's office cannot give legal advice. You may want to consult an attorney.

—Refer To Other Side For Important Deadlines and Notices—

United States Bankruptcy Court
61288, Houston TX 77208SOUTHERN DISTRICT OF TEXAS P.O.Box
(Houston Division)

Name of Debtors <input type="checkbox"/> Stage Stores, Inc., a Delaware corporation <input type="checkbox"/> Specialty Retailers, Inc., a Texas corporation <input type="checkbox"/> Specialty Retailers, Inc. (NV), a Nevada corporation		Case Number 00-35078-H2-11 00-35079-H2-11 00-35080-H2-11	Creditor ID#: 788-10601
*place an "x" beside the name of the Debtor you are filing a claim against			
Name of Creditor (The person or other entity to whom the debtor owes money or property): Cede & Co.		Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.	
Name and address where notices should be sent: *****AUTO*****ALL FOR AADC 100 Cede & Co. PO Box 20 Bowling Green Station New York NY 10274-0020		Check box if you have never received any notices from the bankruptcy court in this case Check box if the address differs from the address on the envelope sent to you by the court.	
Account or other number by which creditor identifies debtor:		Check here if this claim replaces _____ amends _____ a previously filed claim, dated: _____	
1. Basis for Claim <input type="checkbox"/> Goods sold <input type="checkbox"/> Services performed <input type="checkbox"/> Money loaned <input type="checkbox"/> Personal injury/wrongful death <input type="checkbox"/> Taxes <input type="checkbox"/> Other _____		Retiree benefits as defined in 11 U.S.C. § 1114(a) Wages, salaries, and compensation (Fill out below) Your SS#: _____ Unpaid compensation for services performed from _____ to _____ (date) (date)	
2. Date debt was incurred:		3. If court judgment, date obtained:	
4. Total Amount of Claim at Time Case Filed: \$ _____ If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.			
5. Secured Claim. <input type="checkbox"/> Check this box if your claim is secured by collateral (including a right of setoff). Brief Description of Collateral: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other All personal and intangible property of Debtor's Estate Value of Collateral: \$ _____ Amount of arrearage and other charges at time case filed included in secured claim, if any \$ _____		6. Unsecured Priority Claim. <input type="checkbox"/> Check this box if you have an unsecured priority claim Amount entitled to priority \$ _____ Specify the priority of the claim: Wages, salaries, or commissions (up to \$4,300)* earned within 90 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(3) Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(4). Up to \$1,950* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(5). Alimony, maintenance, or support owed to a spouse, former spouse, or child - 11 U.S.C. § 507(a)(7). Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8). Other - Specify applicable paragraph of 11 U.S.C. § 507(a-____). <small>*Amounts are subject to adjustment on 4/1/98 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.</small>	
7. Credits: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim. 8. Supporting Documents: Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary. 9. Date-Stamped Copy: To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.			
Date 7/21/00	Sign and print the name and title, if any, of the creditor or other person authorized to file this claim <small>(attach copy of power of attorney, if any.)</small>		
 Corrine D. Smith <small>Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.</small>			

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In particular types of cases or circumstances, such as bankruptcy cases that are not filed voluntarily by a debtor, there may be exceptions to these general rules.

DEFINITIONS

Debtor

The person, corporation, or other entity that has filed a bankruptcy case is called the debtor.

Creditor

A creditor is any person, corporation, or other entity to whom the debtor owed a debt to the date that the bankruptcy case was filed.

Proof of Claim

A form telling the bankruptcy court how much the debtor owed a creditor at the time the bankruptcy case was filed (the amount of the creditor's claim). This form must be filed with the clerk of the bankruptcy court where the bankruptcy case was filed.

Secured Claim

A claim is a secured claim to the extent that the creditor has a lien on property of the debtor (collateral) that gives the creditor the right to be paid from that property before creditors who do not have liens on the property.

Examples of liens are a mortgage on real estate and a security interest in a car, truck, boat, television set, or other item of property. A lien may have been obtained through a court proceeding before the bankruptcy case began; in some states a court judgment is a lien. In addition, to the extent a creditor also owes money to the debtor (has a right of setoff), the creditor's claim may be a secured claim. (See also *Unsecured Claim*.)

Unsecured Claim

If a claim is not secured claim it is an unsecured claim. A claim may be partly secured and partly unsecured if the property on which a creditor has a lien is not worth enough to pay the creditor in full.

Unsecured Priority Claim

Certain types of unsecured claims are given priority, so they are to be paid in bankruptcy cases before most other unsecured claims (if there is sufficient money or property available to pay these claims). The most common types of priority claims are listed on the proof of claim form. Unsecured claims that are not specifically given priority status by the bankruptcy laws are classified as *Unsecured Nonpriority claims*.

Items to be completed in Proof of Claim form (if not already filled in)

Court, Name of Debtor, and Case Number:

All of this information is near the top of the notice. Check the box next to the name of the Debtor against which you are filing this claim.

Information about Creditor:

Complete the section giving the name, address, and telephone number of the creditor to whom the debtor owes money or property, and the debtor's account number, if any. If anyone else has already filed a proof of claim relating to this debt, if you never received notices from the bankruptcy court about this case, if your address differs from that to which the court sent notice, or if this proof of claim replaces or changes a proof of claim that was already filed, check the appropriate box on the form.

1. Basis for Claim:

Check the type of debt for which the proof of claim is being filed. If the type of debt is not listed, check "Other" and briefly describe the type of debt. If you were an employee of the debtor, fill in your social security number and the dates of work for which you were not paid.

2. Date Debt Incurred:

Fill in the date when the debt first was owed by the debtor.

3. Court Judgments:

If you have a court judgment for this debt, state the date the court entered the judgment.

4. Total Amount of Claim at Time Case Filed:

Fill in the total amount of the entire claim. If interest or other charges in addition to the principal amount of the claim are included, check the appropriate place on the form and attach an itemization of the interest and charges.

5. Secured Claim:

Check the appropriate place if the claim is a secured claim. You must state the type of value of property that is collateral for the claim, attach copies of the documentation of your lien, and state the amount past due on the claim as of the date the bankruptcy case was filed. A claim may be partly secured and partly unsecured. (See DEFINITIONS, above).

6. Unsecured Priority Claim:

Check the appropriate place if you have an unsecured priority claim, and state the amount entitled to priority. (See DEFINITIONS, above). A claim may be partly priority and partly nonpriority if, for example, the claim is for more than the amount given priority by the law. Check the appropriate place to specify the type of priority claim.

7. Credits:

By signing this proof of claim, you are stating under oath that in calculating the amount of your claim you have given the debtor credit for all payments received from the debtor.

8. Supporting Documents:

You must attach to this proof of claim form copies of documents that show the debtor owes the debt claimed or, if the documents are too lengthy, a summary of those documents. If documents are not available, you must attach an explanation of why they are not available.

9. Filing Claim:

You must file your claim by mailing it to: Clerk, U.S. Bankruptcy Court
P.O. Box 61288
Houston, TX 77208.

10. Date Stamped Copy:

To receive an acknowledgment of the filing of your claim, enclose a self-addressed, stamped envelope, and a copy of your Proof of Claim.